



# *Retirement Plan Services Communicator*

*August 2015*

*No. 7*

## **From the Desk of the Director**

Dear Retirees,

Summer is winding down. I hope you have had plenty of opportunity to enjoy all of the benefits this time of year offers — festivals, outdoor concerts, flowers, and my favorite, the smell of freshly mowed lawns and flower gardens. As fall approaches, we are beginning to prepare for end of year activities.

Our outside auditor has finished auditing our financial statements. I am happy to report that they have again issued a positive opinion. Once the audit was done, we were able to complete the Annual Report which is now available on our website.

Please contact ERS by email at [ers@milwaukeecountywi.gov](mailto:ers@milwaukeecountywi.gov) with questions or concerns. We monitor the site frequently throughout the day and respond as quickly as possible. We have both local (414-278-4207) and toll-free (877-652-6377) phone numbers.

Enjoy the rest of the summer!

Marian Ninneman, Director

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*By Vivian Aikin*

### **529 COLLEGE SAVINGS PLANS**

Today more than ever before grandparents are taking an active role in saving money for a grandchild's education. A recent survey by Fidelity Investments revealed that 72% of grandparents feel that it is important to help pay for their grandchildren's college education. College savings plans, known as "529 plans" named for the section of the tax code that created them, have become a popular and effective way to put money aside for this purpose. All the money in the account grows tax-deferred and can be withdrawn tax-free if used to pay for qualified higher education expenses. It can be used for any school in any state. Currently all 50 states have established their own 529 college savings plans.

Here are some key things to know about 529 college savings plans:

#### You can invest in any state's plan

You will want to do the necessary research to find the best performing and least expensive plan. Also, as an incentive to select its plan, some states offer a break on state income taxes (but you must

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*"You cannot do a kindness too soon,  
for you never know how soon it will  
be too late."*

*~ Ralph Waldo Emerson*

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live in that state to take advantage of the tax break). Due diligence regarding charges, expenses, investment objectives and risk is important in choosing the right plan for your circumstances.

The money can be used for expenses at any qualified college or university in any state  
With 529 college savings plans (as opposed to prepaid state college tuition plans that are also available per §529 of the tax code), there is no restriction on where the student can go to school.

Plan money can be used by any grandchild in the immediate family  
Perhaps the grandchild you have been saving for decides not to attend college. Or he may qualify for a scholarship or other educational assistance and not need the money. Plan rules allow any other grandchild in the immediate family to use the college savings plan money without penalty.

There are no income or asset restrictions on contributions  
The majority of 529 plans allow you to set up an account with a low minimum contribution. As an example, for Wisconsin's 529 college savings plan you can open an account with a minimum contribution of \$25 per investment option. Subsequent contributions also require at least \$25 per investment option. Ongoing automatic contributions are also allowed with a minimum of \$15 per investment option. Each individual state plan has a limit on the maximum allowable investment. In Wisconsin, the limit is \$330,000 per beneficiary.

The website SavingforCollege.com tracks costs and performance of each state's 529 college savings plan and has other information as well. Morningstar.com offers reports and ratings on 529 plans through its "premium" service; you can sign up for a free trial subscription to access this information.

As with any decision involving investments, consider seeking advice from a professional well-versed in all aspects of 529 college savings plans.

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## **Congratulations to Our July Retirees!**

*Judith Allcott  
Edward Baisch  
Cheryl Boneck-Christensen  
Sheila Marie Boyd  
Roberta Canady  
Gary Coleman  
Alan Dotzler  
Francine Flanigan  
Crystal Franklin  
Norman Gahn  
Gayle Griger  
Jo Hoenig*

*Karen Jackson  
Karen Kroupa  
Mona Laura  
Timothy Mcfaul  
Laura Nitka  
Patti Gorsky-Pollack  
Minnie Parker  
Talfer Porter  
John Romanski  
Anthony Russell  
Jena Scherer  
Eden Serafica*

*William Shaw  
Sandra Shulta  
Edward Stark  
Mark Stein  
Ross Stein  
Stephanie Stein  
Diane Thompson  
Russell Weber  
Joyce Winfrey  
Joy Zablocki*

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## In Memoriam

Please keep the families of these recently deceased retirees in your thoughts:

Gwendolyn Altheimer  
John Arkins  
Franklin Ballmer  
Elease Breland  
Frank Dankert, Jr.

Lois Frailing  
Robert Francis  
Ordie Grant  
Marian Guida  
Laverne Maahs

Arlene Mortenson  
Barbara Nealon  
Jolanta Paprocki  
John Pospyhalla  
Harry Staver

Hattie Willington  
Barbara Wilson

## Market Value of Pension Fund Period Ending July 31, 2015

<b>Total Fund Composite</b>	<b>\$1,750,147,847</b>
Fixed Income Composite	\$325,843,360
US Equity Composite	\$436,206,459
International Equity Composite	\$338,451,003
Hedged Equity Composite	\$193,531,669
Real Estate Composite	\$189,479,975
Infrastructure Composite	\$146,880,645
Private Equity Composite	\$79,040,801
Total Cash Equivalents	\$40,713,935

### 2015 Check Disbursement Schedule

Monday, August 31	Monday, November 30
Wednesday, September 30	Thursday, December 31
Friday, October 30	

## CONTACT INFORMATION

### Retirement Services

In the Milwaukee area:

**414-278-4207**

Toll Free:

**877-652-6377**

Email: [ers@milwaukeecountywi.gov](mailto:ers@milwaukeecountywi.gov).

### Life & Health Benefits

Phone: **414-278-4198**.

Email: [benefits@milwaukeecountywi.gov](mailto:benefits@milwaukeecountywi.gov)